

SEN. GEORGE RUNNER (RET.)

MEMBER STATE BOARD OF EQUALIZATION CALIFORNIA'S TAX BOARD

July 29, 2014

Senator Kevin de León, Chair Senate Appropriations Committee State Capitol, Room 2206 Sacramento, CA 95814

RE: ASSEMBLY BILL 1839 (GATTO & BOCANEGRA) - SUPPORT -

Dear Senator de León,

I am writing to urge your support of Assembly Bill 1839 (Gatto and Bocanegra), *The California Film and Television Job Retention and Promotion Act*, which extends and expands qualified motion picture tax credits for the period of July 1, 2016 through June 30, 2021.

For nearly two decades, California's film and television industry has experienced a decline as film and television productions find better financial conditions outside the state. As other governments have increased their incentive programs, California has lost nearly all big budget feature films to other locations. The erosion of the state's television production is also gaining momentum. This has created a strain on an economy that has been the center of the entertainment industry for over a century. When production leaves the state, so dothe jobs, tax revenue and spending that are critical to our state's economy. In order to be competitive, California must put in place a meaningful, expanded credit that will bring back jobs, increase revenue and support small businesses and vendors across the state.

The film and television industry has played a significant role in California's economic success. Continued success requires us to support measures that promote economic incentives as a means of creation, attraction and retention of business. I am pleased to support AB 1839 and urge your "aye" vote when it is heard before the Senate Appropriations Committee on August 4.

Second District

cc: Assemblymember Gatto
Assemblymember Bocanegra

Joe Shinstock, Fiscal Consultant, Senate Republican Caucus